ONONDAGA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
335 MONTGOMERY STREET, FLOOR 2M, SYRACUSE, NY 13202
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Audit Committee Meeting Agenda
November 13, 2025

Call to Order the Audit Committee Meeting

A. Approval of Meeting Minutes: March 6, 2025

Action Items:

1. Preliminary Audit Review for Fiscal Year 2025

Representative: Michael G. Lisson, Grossman St. Amour CPAs

2. Audit Committee Charter

The Committee members will review the Committee's Charter.

Action Requested:

a. A resolution of the Committee to transmit the Committee Charter *with/without* comment to the Governance Committee for review and recommendation to the Board.

Adjourn

Audit Committee Meeting Minutes
March 6, 2025

An Audit Committee meeting of the Onondaga County Industrial Development Agency was held on Thursday, March 6, 2025, at 335 Montgomery Street, Floor 2M, Syracuse, New York.

Janice Herzog called the meeting to order at 8:31 AM with the following in attendance:

PRESENT:
Janice Herzog
Patrick Hogan

ABSENT:
Cydney Johnson

ALSO PRESENT:
Robert M. Petrovich, Executive Director
Nate Stevens, Treasurer
Alexis Rodriguez, Secretary
Robert Schoeneck, Assistant Treasurer
Amanda Fitzgerald, Esq., Counsel (via Zoom)
Mike Lisson, Auditor
Brianah Lane, Auditor
Gianna Quonce, Auditor

Approval of Meeting Minutes: October 10, 2024

Upon motion by Patrick Hogan, seconded by Janice Herzog, the meeting minutes of October 10, 2024 were approved. Motion was carried.

Action Items:

1. **2024 Agency Audit**
   Review and discuss the 2024 Audit of the Agency. Determine a recommendation to be made to the Agency Board.

   Mike Lisson presented a summary of the 2024 audit and noted the activity of the Agency. He stated that everything went extremely well and there were no significant issues to note.

Janice Herzog read the Agency action requested, “A resolution of the Committee’s recommendation to the Agency Board regarding the 2024 Audit of the Agency.” Motion was made by Patrick Hogan, seconded by Janice Herzog. Motion was carried.

Motion to adjourn was made by Patrick Hogan and seconded by Janice Herzog at 8:36 AM.

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Alexis Rodriguez, Secretary

Onondaga County Industrial Development Agency

Auditor’s Communication with Those Charged with Governance during planning

October 23, 2025

Mike Lisson, CPA, CFE Partner
Bri Lane, CPA Supervisor

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AGENDA

- PROFESSIONAL STAFF
- RESPONSIBILITIES
- PLANNED SCOPE
- WHAT'S GOING ON IN THE ACCOUNTING AND REGULATORY WORLD

PROFESSIONAL STAFF

- Audit Partners - Mike Lisson, CPA, CITP & Mark Ciaralli, CPA, CFE
  - Mark is the lead partner and is responsible for reviewing the audit. PAAA requires a change in partner once every 5 years (we rotated partners in 2021)
  - In addition, due to governmental auditing standards, we assign two partners to all of our governmental audits

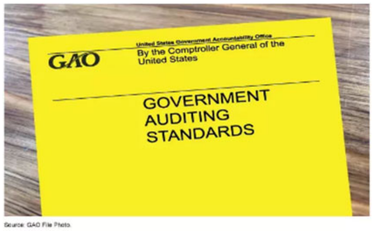
  Contact Information:
  - Mike (315) 701-6430 / Mark (315)-701-6391

    mlisson@gsacpas.com / mciaralli@gsacpas.com
- All staff assigned need to possess adequate professional competence
  - All professionals must complete at least 80 hours of CPE to enhance professional proficiency and at least 24 hours must be specific to governmental areas every two years related to the audit
  - Brianah Lane (Bri) – supervisor, will continue on the audit this year and has been working on the audit for 5+ years

AUDITOR's RESPONSIBILITIES

- Communicated through engagement letter
- We are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America **(AICPA)**; with government auditing standards **(GAGAS)**; and the New York State Authorities Budget Office **(ABO)**
- We form and express an opinion over the financial statements prepared by management, with your oversight, about whether the financial statements are prepared, in all material respects, with **GAAP (GASB).** You have the ultimate responsibility for these financial statements.
- As a component unit of Onondaga County, your financial information is **included** in the County's financials. The County's independent auditors do not take responsibility for the financial information as they reference other auditors (GSA CPAs) in accordance with professional standards.

AICPA



AUDITOR'S RESPONSIBILITIES

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and **obtain audit evidence that is sufficient** and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, **but not for the purpose of expressing an opinion on the effectiveness of OCIDA's internal control.**
- Evaluate the **appropriateness of accounting policies** used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, **including the disclosures**, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt of **OCIDA's ability to continue as a going concern** for a reasonable period of time.

MANAGEMENT'S RESPONSIBILITIES

- Communicated through engagement letter
- Preparation and fair presentation of the financial statements with GAAP
- Design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements from material misstatement from:
  - Errors
  - Fraudulent financial reporting
  - Misappropriation of assets
  - Violations of laws, governmental regulations, grant agreements or contractual agreements
- Provide unrestricted access to all records, documentation and persons necessary to obtain audit evidence
- Identifying and ensuring compliance with laws and regulations applicable to the entity's activities
- For adjusting financial statements to correct material misstatements and confirming to us in the management representation letter that uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole
- For acceptance of nonattest services, including identifying the proper party to oversee nonattest work
- For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets
- For the accuracy and completeness of all information provided

PLANNED SCOPE

- Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

- Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements are free of **material** misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations.

- There is always a risk that material misstatements may exist that may not be detected by us.

PLANNED SCOPE (continued)

- We are required to obtain an understanding of your entity and its environment, including internal controls, to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures.

- Our audit is not designed to express an opinion or provide assurance on internal control over financial reporting or compliance with provisions of applicable laws, regulations, contracts, and agreements.
  - Although we don't express opinions over these, we will communicate our scope and results of that testing through a separate communication, titled: *"Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards"*

- Identification of significant risks
  - Revenue recognition – Agency fees, most significant to date – Upstate Pathology Lab Ownership LLC, $1.1M Semiconductor Components Industries $1.5, White Pines Agency fees $1.1M
  - Investment in real property

A significant risk for our audit purposes are risks relating to amounts or disclosures in the financial statements that require special audit consideration because of the likelihood and magnitude of the potential misstatement. We consider certain factors to determine whether a risk is a significant risk.

WHAT'S GOING ON IN THE ACCOUNTING & REGULATORY WORLD

Accounting / Auditing

Auditing

- Audit Standards (AICPA / GAGAS)
  - SAS 149, Special considerations – audits of group financial statements (including the work of component auditors and audits of referred-to auditors) (applicable for fiscal '26)
- Governmental Accounting Standards (GASB)
  - Risks and uncertainties disclosures issued December 23 (applicable for fiscal '25)
  - Numerous ongoing GASB projects may impact OCIDA in future years
    - Financial reporting model issued April '24 (applicable for fiscal '26)
    - Revenue and expense recognition – exposure draft
    - Accounting and financial reporting for subsequent events – exposure draft

WHAT'S GOING ON IN THE ACCOUNTING & REGULATORY WORLD (continued)

Regulatory

I) NYS Comptroller

- No new audit reports issued since July 2022.
- OCIDA's last audit (project approval and monitoring) from OSC was November 2019

II) Authorities Budget Office (ABO)

- New policy guidance regulation 25-01 issued 3/5/25, *Freedom of Information Law (FOIL) and Open Meetings Law (OML) Requirements*

AUDIT COMMITTEE CHARTER

This Audit Committee Charter was adopted by the Members of the Onondaga County Industrial Development Agency, a public benefit corporation established under the laws of the State of New York, on the 10th day of January 2008.

Purpose

Pursuant to Article VI, Section 2 of the Agency's bylaws, the purpose of the audit committee shall be to (1) assure that the Agency's Members fulfill their responsibilities for the Agency's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and (2) provide an avenue of communication between management, the independent auditors, and the Members.

Powers of the Audit Committee

It shall be the responsibility of the Audit Committee to:

- Appoint, compensate, and oversee the work of any public accounting firm employed by the Agency.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from Agency employees, all of whom should be directed by the Members to cooperate with committee requests.
- Meet with Agency staff, independent auditors or outside counsel, as necessary.
- Retain, at the Agency's expense, such outside counsel, experts and other advisors, as the Audit Committee may deem appropriate.

Composition of Committee and Selection of Members

The Audit Committee is established as set forth in and pursuant to Article VI, Section 2 of the Agency's bylaws. The Audit Committee shall be comprised of independent members. The Agency's Chairman will appoint the Audit Committee members and the Audit Committee Chair.

Audit Committee members shall be prohibited from being an employee of the Agency or an immediate family member of an employee of the Agency. In addition, Audit Committee members shall not engage in any private business transactions with the

Agency or receive compensation from any private entity that has material business relationships with the Agency, or be an immediate family member of an individual that engages in private business transactions with the Agency or receives compensation from an entity that has material business relationships with the Agency.

The Audit Committee shall have access to the services of at least one financial expert.

The Audit Committee's financial expert should have 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals and reserves; 4) experience with internal accounting controls and, 5) an understanding of Audit Committee functions.

Meetings

The Audit Committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter.

Members of the Audit Committee are expected to attend each committee meeting, in person or via telephone or videoconference. The Audit Committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

The Audit Committee will meet with the Agency's independent auditor at least annually to discuss the financial statements of the Agency.

Meeting agendas will be prepared for every meeting and provided to the Audit Committee members along with briefing materials before the scheduled Audit Committee meeting. The Audit Committee will act only on the affirmative vote of a majority of the members at a meeting or by the consent of a majority of the members. Minutes of these meetings will be recorded.

Responsibilities

The Audit Committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) oversight of management's internal controls, compliance and risk assessment practices; (c) special investigations and whistleblower policies; and (d) miscellaneous issues related to the financial practices of the Agency.

A. Independent Auditors and Financial Statements

The Audit Committee shall:

- Appoint, compensate and oversee independent auditors retained by the Agency and pre-approve all audit services provided by the independent auditor.

- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The Agency's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the Audit Committee. Non-audit services include tasks that directly support the Agency's operations, such as bookkeeping or other services related to the accounting records or financial statements of the Agency, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.

- Review and approve the Agency's audited financial statements, associated management letter, report on internal controls and all other auditor communications.

- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.

- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Controls, Compliance and Risk Assessment

The Audit Committee shall:

- Review management's assessment of the effectiveness of the Agency's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

C. Special Investigations

The Audit Committee shall:

- Ensure that the Agency has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the members, officers, or employees of the Agency or any persons having business dealings with the Agency or breaches of internal control.

- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation (for example, issues may be referred to the State Inspector General or, other investigatory organization.)
- Review all reports delivered to it by the Inspector General and serve as a point of contact with the Inspector General.

E. Other Responsibilities of the Audit Committee

The Audit Committee shall:

- Present annually to the Agency's members a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the Committee members' understanding of the role of the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.
- Review the Committee's charter annually, reassess its adequacy, and recommend any proposed changes to the Members of the Agency. The Audit Committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request member approval for proposed changes.